

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
CHICAGO DIVISION**

In re:

**Steven David Jaros
June Marie Jaros**

Debtors.

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: **Case No.: 15-35330**
: **Chapter 13**
: **Judge Bruce W. Black**
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OBJECTION TO CONFIRMATION OF PLAN (DOCKET NUMBER 20)

Now comes U.S. Bank National Association, as Trustee, successor in interest to Bank of America, National Association, as Trustee, successor by merger to LaSalle Bank National Association, as Trustee for First Franklin Mortgage Loan Trust 2007-2, Mortgage Pass-Through Certificates, Series 2007-2 ("Creditor"), by and through its mortgage servicing agent Nationstar Mortgage LLC, by and through its attorneys, Manley Deas Kochalski LLC, and objects to confirmation of the Chapter 13 plan of Steven David Jaros and June Marie Jaros (collectively, "Debtor"). For the reasons which follow, confirmation should be denied.

1. This Court has jurisdiction pursuant to 28 U.S.C. Section 1334 and venue is fixed in this Court pursuant to 28 U.S.C. Section 1409.

2. On October 16, 2015, Debtor filed a petition ("Petition Date") under Chapter 13 of Title of the United States Bankruptcy Code ("Bankruptcy Code") in the United States Bankruptcy Court for the Northern District of Illinois.

3. Creditor is secured by a first mortgage lien upon the Debtor's real property commonly known as 922 Homestead Dr, Yorkville, IL 60560 ("Property"). The Property is the Debtor's principal residence.

4. On February 8, 2016, Creditor filed Proof of Claim 3-1 stating a secured claim of \$531,618.57 and pre-petition arrears of \$225,194.88.

MEMORANDUM IN SUPPORT OF OBJECTION

Pursuant to § 1322(b)(2) of the Bankruptcy Code and the United States Supreme Court's holding in *Nobleman v. American Savings Bank (In re Nobleman)*, 508 U.S. 324 (1993), the Debtor cannot modify the rights of a holder of a secured claim secured by an "interest in real property that is the debtor's principal residence." 11 U.S.C.A. § 1322(b)(2). As of the Petition Date, Creditor's claim was fully secured. Moreover, this collateral is the Debtor's principal residence.

The Debtor's Chapter 13 Plan provides for an inadequate arrearage amount. The amount of the arrearage provided for in the Chapter 13 Plan is \$0.00 and the amount that Creditor has calculated and included in its filed claim is \$225,194.88.

The Debtor's Chapter 13 Plan also provides for an inadequate ongoing mortgage payment. The ongoing mortgage payment provided for in the Chapter 13 Plan is \$1,500.00 and the amount that Creditor has calculated, including the escrow portion, is \$3,327.31.

Additionally, the Debtor's Plan fails to comply with 11 USC ' 1322(b)(5) which permits debtors to cure defaults while resuming and maintaining regular payments on long term obligations. That section requires such defaults to be cured "within a reasonable time." The Chapter 13 Plan herein seeks the benefits of 11 USC ' 1322 (b)(5), however, the Plan fails to comply with 11 USC ' 1322 (b)(5) in that it does not provide for cure of Creditor's arrearage "within a reasonable time".

The Debtor's Plan payment is proposed at \$600.10 for a period of 36 months. Creditor's pre petition arrearage is \$225,194.88. At \$600.10 x 36 months, Debtor will have only paid \$21,603.60 by the end of thirty six months. Therefore, the Plan is not feasible.

Accordingly, Debtor cannot make the proposed modifications to Creditor's mortgage pursuant to § 1322(b)(2).

WHEREFORE, Creditor respectfully requests the Court to deny confirmation of the Debtor's proposed Chapter 13 Plan.

Respectfully submitted,

/s/ Todd J. Ruchman

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing Objection to Confirmation was served on the parties listed below via e-mail notification:

U.S. Trustee, Patrick S. Layng, Office of the United States Trustee, Region 11, 219 S. Dearborn Street, Room 873, Chicago, IL 60604

Glenn B. Stearns, 801 Warrenville Road, Suite 650, Lisle, IL 60532

Penelope N Bach, Attorney for Steven David Jaros and June Marie Jaros, Sulaiman Law Group, Ltd., 900 Jorie Boulevard, Suite 150, Oak Brook, IL 60523,
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The below listed parties were served via regular U.S. Mail, postage prepaid, on February 16, 2016:

Steven David Jaros and June Marie Jaros, 922 Homestead Drive, Yorkville, IL 60560-1834

Steven David Jaros and June Marie Jaros, 922 Homestead Dr, Yorkville, IL 60560

/s/ Todd J. Ruchman